

225 CMR: ~~DIVISION~~DEPARTMENT OF ENERGY RESOURCES

225 CMR 4.00: RESIDENTIAL CONSERVATION SERVICE PROGRAM

Section

4.01: Scope and Coverage of State Plan and Regulations

~~4.02: Definitions~~ RCS Program

~~4.02: RCS Program~~

4.03: Eligibility

4.04: Qualification for~~RCS~~ Program ~~Vendors~~Requirements

4.05: Outcomes

4.06: Qualifications for Program Vendors

~~4.07: Coalition Action Plan~~

~~4.07~~08: Municipal Action Plan

~~4.08: Program Publicity~~

~~4.09: Appropriate Services~~

~~4.10: Audits~~

~~4.11: Program Measure Implementation~~

~~4.12: Enforcement of Compliance and Complaints Processing Procedures~~

~~4.13: Municipal Utility Program Budget~~

~~4.14~~10: Accounting and Costs

~~4.15~~11: Home Heating Suppliers

~~4.16~~12: Establish the State Plan and Other Reporting Requirements

~~4.01: Scope and Coverage of State Plan and Regulations~~

- ~~(1) Scope of State Plan. The State Plan establishes procedures for the implementation of the Massachusetts Residential Conservation Service (RCS) Program pursuant to M.G.L. c. 25A, § 11A, c.164 App. §§ 2-1 through 2-10 and St. 1997 c. 164. The Massachusetts RCS Program is designed to encourage residential energy consumers to conserve energy by providing them with:~~
- ~~a) accurate information concerning what they can do to save energy in their own homes;~~
 - ~~(b) assistance in locating reliable contractors and arrangement for the installation of energy conservation and renewable resource measures;~~
 - ~~(c) such services and programs as are practicable to facilitate financing the installation of program measures; and~~
 - ~~(d) consumer protection through education, inspections, warranties, complaint conciliation procedures, and redress procedures for poor work.~~

~~(2) Coverage of State Plan:~~

~~(a) All Program Administrators shall implement the Program Requirements for Residential~~

~~Customers at such times and in such manner as prescribed in the State Plan.~~

~~(b) A Home Heating Supplier may voluntarily participate in the State Plan pursuant to 225 CMR 4.15.~~

(3) ~~State Regulatory Authority.~~ The Division of Energy Resources (DOER) shall establish and review RCS program Outcomes, all other RCS Program Requirements, and approve the Coalition Action Plan. The Department of Telecommunications and Energy (DTE) shall review and approve RCS operating budgets as to the reasonableness of the proposed expenditures for those Program Administrators subject to DTE's jurisdiction. DOER shall review and approve RCS operating budgets for those Program Administrators, which are not subject to DTE's jurisdiction. Both DOER and the DTE are authorized pursuant to M.G.L. c. 164 App. §§ 2-1 through 2-10 and St. 1997 c. 164 inserting M.G.L. c. 25A, § 11G.

(a) DOER is responsible for developing and implementing the RCS Program. The Commissioner is authorized to:

1. promulgate regulations;
2. prepare a State Plan in the form of guidelines;
3. review the Coalition Action Plan for approval; and
4. monitor the Outcomes of the program to ensure that it achieves the desired Outcomes established annually under said plan.

(b) The Residential Conservation Service Act authorizes DTE to review for approval the RCS Program budgets of those Program Administrators subject to its jurisdiction; to establish and authorize the recovery of those costs from ratepayers; and to resolve complaints against said Program Administrators arising from their participation in the RCS Program.

4.02: Definitions

Appropriate Ancillary Services. One or more services delivered to Residential Customers, which provide education, technical assistance and information without requiring a visit to the customer's home. These services may also help to qualify a Residential Customer for the delivery of an on-site Audit, a Fuel Neutral Reward, and Energy Efficiency Programs.

Audit. An on- site assessment of a Residential Building by a Program Vendor that provides a Residential Customer with accurate information about the applicability of Program Measures and a Fuel Neutral Reward.

Coalition. ~~An association of Program Administrators and Program Vendors.~~

Coalition Action Plan. ~~A complete~~ The plan for the program developed jointly by the Coalition that complies with the State Plan and Program Requirements. ~~Program Administrators pursuant to 225 CMR 4.07. These sections must comply with 225 CMR 4.04 and 4.07.~~

Commissioner. The Commissioner of the ~~Division~~ Department of Energy Resources.

DOER. The Massachusetts ~~Division~~ Department of Energy Resources.

DTEDPU. The Massachusetts Department of ~~Telecommunications and Energy~~-Public Utilities

Energy Efficiency Measure. A modification to a Residential Building that decreases BTUs or kWhs used per square-foot for that Residential Building.

Energy Efficiency Programs. Offerings to Residential Customers by Program Administrators of energy efficiency products and services designed to reduce the amount of energy used to serve end-uses including, but not limited to lighting, heating, and cooling. Investment Plan (EEIP). Joint plan of Massachusetts' energy efficiency Program Administrators pursuant to M.G.L. ch. 25 §21.

Fuel Neutral Reward. A financial incentive provided to residential customers, regardless of the fuels being used in the building, that facilitates the implementation of Program Measures.

Home Energy Rating System (HERS). A nationally recognized system that scores the relative efficiency of a Residential Building in comparison to a baseline scale.

HERS Rater Certification. A process, which combines training and examinations that qualifies a person as having one of several levels of expertise about the Home Energy Rating System.

Home Heating Supplier. A person who sells or supplies home heating fuel (including but not limited to No. 2 heating oil, kerosene, butane, ~~and~~ propane, biomass, wood pellets, and wood chips) to a Residential Customer for consumption in a Residential Building; ~~a Participating Home Heating Supplier is such a supplier who elects to participate in the State Plan pursuant to 225 CMR 4.15.~~

Municipal Aggregator. Any municipality or any group of municipalities acting together within the Commonwealth to aggregate the electrical load of interested electricity customers within its boundaries, as provided in M.G.L. c. 164, § 134- (a), that also adopts an energy plan which shall define the manner in which the municipality or municipalities may implement demand side management programs and renewable energy programs as provided in M.G.L. c. 164 § 134 (b). For purposes of 225 CMR 4.00, the term Program Administrator shall be understood to include a Municipal Aggregator.

Outcomes. Performance standards used to evaluate the success of the RCS program.

Person. A person is any individual, partnership, corporation, trust, association, utility, agency or any political subdivision of the state.

Program Administrator. Any electric or gas distribution company as defined in M.G.L. c. 164, § 1, or corporation as defined in M.G.L. c. 164, § 2 to include all persons, firms, associations and private corporations which own or operate a distributing plant for distribution and sale of gas for heating and illuminating purposes, or of electricity, within

Formatted: Font: Times New Roman, 12 pt

Formatted: Font: 12 pt

the commonwealth but shall not include any alternative energy producer other than persons, firms, associations, and private corporations expressly excluded from the definition of “electric company” in M.G.L. c. 164, § 1. The terms “corporation”, “electric company” and “gas company” shall include municipal corporations which own or may acquire municipal lighting plants. Program Administrator shall also include Municipal Aggregators.

Program Measure. An Energy Efficiency Measure and/or a Renewable Resource Measure.

Program Requirement. A requirement adopted by the Commissioner under the State Plan, including, but not limited to, ~~Appropriate~~Ancillary Services, Audits and Fuel Neutral Reward or any other requirement adopted under M.G.L. c. 164 App. §§ 2-1 through 2-10.

Program Vendor. A person who provides services or products to Residential Customers under 225 CMR 4.00 or the State Plan.

Renewable Resource Measure. A modification to a Residential Building that substitutes energy produced from a stock resource (fossil ~~and~~or nuclear fuel) with a renewable resource (including but not limited to solar thermal, photovoltaic, biomass, and wind).

Residential Building. Any building or dwelling that is used for residential occupancy and has a system for heating, cooling, or both.

Residential Customer. A person who owns or occupies a Residential Building and receives a bill or bills from a Program Administrator based on ~~individually metered~~ energy used in such ~~a~~ Residential Building.

State. The Commonwealth of Massachusetts.

State Plan. The ~~guidelines~~guideline prepared by the Commissioner to implement M.G.L. c. 164 App. §§ 2-1 through 2-10.

4.02: RCS Program

(1) The purpose of 225 CMR 4.00 and the State Plan is to establish requirements for the implementation of the Massachusetts Residential Conservation Service (RCS) Program pursuant to M.G.L. c. 25A, § 11A, 11G, and c.164 App. §§ 2-1 through 2-10.

The Massachusetts RCS Program is designed to encourage residential energy consumers to conserve energy by providing them with:

b) accurate information concerning what they can do to save energy in their own homes;

- c) assistance in locating reliable contractors and arrangement for the installation of energy conservation and renewable resource measures;
- d) such services and programs as are practicable to facilitate the installation and financing of Program Measures; and
- e) consumer protection through education, inspections, warranties, complaint conciliation procedures, and redress procedures for poor work.

All Program Administrators shall implement the RCS program.
Home Heating Suppliers may voluntarily participate in the RCS program pursuant to 225 CMR 4.11.

(2) DOER shall:

- a. Provide for a State Plan in the form of a guideline to implement the RCS program.
- b. Review the Coalition Action Plan to determine whether it complies with the requirements of 225 CMR 4.00 and file a report of such review with the DPU and Energy Efficiency Advisory Council as part of the EEIP process.
- c. Establish Outcomes and monitor implementation of the Coalition Action Plan and Municipal Action Plans to ensure that Outcomes are achieved.
- d. Review and approve RCS operating budgets for those Program Administrators which are not subject to DPU's jurisdiction.
- e. Review and approve the methodology for calculating energy savings associated with Program Measures and how recommendations are made to customers.
- f. Establish criteria for the implementation and inspection of Program Requirements in the State Plan.
- g. Determine the required frequency of services provided under 225 CMR 4.04 (3-5).

(3) DPU shall administer the RCS program as directed under M.G.L. c. 164 App. §§ 2-1 through 2-10 and 220 CMR 7.00.

4.03: Eligibility

All Residential Customers are eligible to receive RCS program services as detailed in Buildings, regardless of the State Plan, if they own or occupy a Residential Building, and receive a bill or bills from a Program Administrator for individually metered energy type of fuels used in said Residential Building.

4.04: Qualification for Program Vendors

~~Within one year from the date when 225 CMR 4.00 becomes effective Program Vendors must have building, the capability to deliver a Home Energy Rating System evaluation performed by a certified rater. Thereafter, all new auditors shall be HERS Rater certified. The State Plan will identify number of residential units in the level of HERS certification for new auditors and additional Program Vendor qualifications.~~

4.05: Outcomes

~~(1) DOER shall annually establish Outcomes for Program Administrators building, or whether there is commercial heating equipment in the State Plan building. Outcomes shall establish, at a minimum, gains in All Residential Buildings' Customers are eligible for a Fuel Neutral Reward under 225 CMR 4.04(7)a. regardless of the types of fuels used in the building.~~

4.04: RCS Program Requirements

To comply with 225 CMR 4.00, Program Administrators shall:

- ~~(1) Each calendar year, provide the methodology for calculating energy efficiency resulting from the installation of savings associated with Program Measures, and how recommendations are made to customers, which shall be reviewed and approved by the DOER pursuant to 225 CMR 4.01(e).~~
- ~~(1) DOER may monitor the Outcomes and may provide technical assistance and recommendations.~~
- ~~(2) The Coalition Action Plan shall include plans for program evaluation to support assessment of Outcomes and potential program improvements.~~

4.06: Coalition Action Plan

- ~~(1) DOER shall outline in the State Plan the format and information requirements of the Coalition Action Plan.~~
- ~~(2) Budget approval for Program Administrators will be consistent with the approval process established by M.G.L. c.164 App. § 2-7.~~
- ~~(3) Program Administrators shall file jointly with DOER, for its approval, the Coalition Action Plan for the ensuing program year.~~
- ~~(4) Program Administrators are committed to work in a coordinated manner with each other in order to present the program in a unified manner.~~
- ~~(5) Within the Coalition Action Plan a Program Administrator shall state how its Residential Customer, who is served by more than one Program Administrator, will simultaneously receive in a unified manner each Program Administrator's program offerings, including but not limited to Appropriate Services, Audit, Fuel Neutral Reward, and Energy Efficiency Programs.~~
- ~~(6) Program Administrators are free to include specific program offerings solely to their customers or in conjunction with other Program Administrators.~~

- (7) ~~In reviewing the Coalition Action Plan, DOER recognizes that municipal utility Program Administrators may have financial and other constraints that may determine their program offerings.~~

4.07: Municipal Action Plan

- (1) ~~Municipal utilities that do not participate in the Coalition Action Plan may file municipal action plans either solely or in coordination with other municipal utilities. Submission of a municipal action plan commits municipal utilities to achieve program Outcomes.~~
- (2) ~~Information requirements for annual municipal action plans will be outlined in the State Plan.~~
- (3) ~~Municipal utilities must report annually to DOER their program Outcomes in an electronic format described in the State Plan.~~

4.08: Program Publicity

- (2) ~~The Coalition Action Plan shall have~~Create a marketing plan that ~~shall include~~includes, but is not limited to, a strategy to ~~provide~~increase awareness of the program among eligible Residential Customers. ~~with an equal opportunity to be aware of and to obtain accurate information about the program.~~

4.09: Appropriate Services

- (3) ~~The Coalition Action Plan shall provide a description and plan for delivery of Appropriate~~Provide ancillary Services to Residential Customers. ~~This shall include, including~~ but ~~is~~ not limited to:
- a. ~~a toll-free~~A telephone number to answer inquiries from Residential Customers;
- b. ~~protocols~~Protocols for educating ~~Residential Customers~~ and qualifying Residential Customers for Audits and/or other Energy Efficiency ~~Programs~~; and Renewable Energy measures.
- ~~a) the~~The maintenance and provision of ~~required~~ data ~~including information about inquiries, responses, and referrals to Audits and other services in an electronic format.~~

4.10: Audits

- c. ~~The Audit objective is that the Residential Customer have an opportunity to participate in all relevant Energy Efficiency Programs and is motivated to a Residential Building.~~
- (4) Provide energy audits to residential customers.
- ~~e.a.~~ The Audit shall provide Residential Customers with information about Program Measures and motivate customers to implement Program Measures.
- b. ~~DOER shall require a~~The Audit shall provide customers with estimates of the energy used in the home and energy savings associated with recommended Program Measures as approved pursuant to 225 CMR 4.04(5)(c).
- (5) Include Program Measure implementation strategies.

- a. The program may provide financial incentives to encourage adoption of Program Measures. Such incentives shall be Fuel Neutral Rewards.
- b. Residential Customers shall be provided with information about Program Measures regardless of the types of fuels used in the building. Such information shall include programs administered by the Program Administrators and other entities, as approved by the DOER.
- c. Make available to Residential Customers who implement Program Measures a third party inspection to ensure that Program Measures were installed correctly.
- (6) On a quarterly basis, provide DOER with the previous quarter's:
 - a. Program Outcomes pursuant to 225 CMR 4.05.
 - ~~d.~~ b. A report of Audits that consists of an electronic record, on a per household basis, of the Residential Buildings' energy consumption characteristics and recommended Program Measures. The electronic record will have a field that chronicles if a Residential Customer implements a recommended Program Measure.
- ~~(1)~~ DOER shall provide a range of deemed energy savings and deemed energy generation for Program Measures. Work with Program Administrators must make this information available subject to Residential Customers at 220 CMR 7.00 and across fuel types to provide the time of the Audits.
- ~~(4)~~ (7) Program Administrators shall have Program Vendors deliver services in a prompt program in a unified manner, generally, within 30 days of request.

4.11: Program Measure Implementation

- ~~(1)~~ A Fuel Neutral Reward will be established for Program Measures in order to encourage Residential Customers to implement recommended Program Measures.
- ~~(2)~~ Program Administrators shall have available to Residential Customers who implement Program Measures a third party inspection to insure that the Program Measures were installed correctly.
- ~~(8)~~ Comply with the State Plan.

4.05: Outcomes

- ~~(1)~~ DOER shall establish criteria for Outcomes for the RCS program including, but not limited to, gains in Residential Buildings' energy efficiency resulting from the installation of Program Measures.
- ~~(2)~~ DOER shall monitor implementation of the Coalition and inspection Municipal Action Plans to ensure that Outcomes are met.

4.06: Qualifications for Program Vendors

DOER shall establish statewide standards for Program Vendors. An advisory committee shall make recommendations to DOER for the establishment of these standards. This advisory

committee shall be chaired by DOER and shall include an even number of Program Measures, as described Administrators, Program Vendors appointed by the Program Administrators, and Program Vendors elected by their peers.

Program Vendors must demonstrate to Program Administrators that they meet the statewide standards established under 225 CMR 4.06.

4.07: Coalition Action Plan

(3) Program Administrators subject to 220 CMR 7.00 shall submit a Coalition Action Plan to DOER in the State Plan.

(1) 4-accordance with the EEIP schedule. The Coalition Action Plan shall describe how the Program Administrators will provide services in accordance with 225 CMR 4.04 and 4.12 and the State Plan and achieve Outcomes pursuant to 225 CMR 4.05 and the State Plan.

(2) The Coalition Action Plan shall include plans for program evaluation. Program evaluation shall support assessment of Outcomes pursuant to 225 CMR 4.05 and the State Plan and may also support potential program improvements. Budget approval for the Coalition Action Plan must comply with 220 CMR 7.00.

4.08: Municipal Action Plan

(1) Municipal utilities that do not participate in the Coalition Action Plan must file Municipal Action Plans either individually or in coordination with other municipal utilities. Submission of a Municipal Action Plan commits municipal utilities to achieve Program Requirements pursuant to 225 CMR 4.04 and Outcomes pursuant to 225 CMR 4.05.

(2) Municipal Action Plans shall provide information in accordance with the State Plan.

(3) Municipal utilities must report annually to DOER their program Outcomes in an electronic format in accordance with State Plan. The program budget for a municipal utility shall be at an annual level equal to and not less than .0025 of its gross annual retail revenues.

▲ If a Municipal Utility lacks sufficient budgetary means using the criterion established in 225 CMR 4.08(4) to implement the RCS Program pursuant to 225 CMR 4.04 and 4.12, the Municipal Utility may request of DOER a waiver from some or all of the requirements under 225 CMR 4.00. The granting of such waiver does not exempt Municipal Utilities from the DOER assessment authorized under M.G.L. ch. 164 App. § 2-7(e).

Formatted: Font: (Default) Times New Roman, 12 pt

Formatted: Font: 12 pt

Formatted: Font: (Default) Times New Roman, 12 pt

4.9: Enforcement of Compliance and Complaints Processing Procedures

Formatted: Font: 12 pt

- (1) Pursuant to M.G.L. c. 164, App. §§ 2-1 through 2-10 any person participating in the State Plan must comply with this State Plan.
- (2) Program Vendors, including, but not limited to participating Home Heating Suppliers, shall make available conciliation conferences to Residential Customers for the purpose of resolving complaints against any person other than a Program Administrator who sells, installs, or finances the sale or installation of any Program Measures under this State Plan. Conciliation of Residential Customer complaints shall also be made available through the Department of ~~Telecommunications and Energy~~ Public Utilities against those Program Administrators, subject to ~~DTEDPU~~ jurisdiction, which sell, install, or finance the sale or installation of Program Measures.

4.13: Municipal Utility Program Budget

~~The program budget for a municipal utility shall be at an annual level equal to and not less than ¼ of 1% of its gross annual retail revenues.~~

4.1410: Accounting and Costs

- (1) All amounts received or expended by Program Administrators which are attributable to the Massachusetts RCS Program shall be treated pursuant to the terms established in 220 CMR 7.0200 for those Program Administrators subject to Department of ~~Telecommunication and Energy~~ Public Utilities jurisdiction.
- ~~(2) A Program Administrator's share of program costs for Appropriate Services and evaluation will its assessment under MGL c. 164 App. §2-7 shall be apportioned according to three factors: its number of Residential Customers, and the total BTUs delivered to Residential Customers, and a correction factor that accounts for the difference in the price of the Program Administrators' energy resources.~~
- ~~(3)(2) A Program Administrator's cost for Audits, Fuel Neutral Rewards and other on-site Program Requirements is based on its Residential Customers' participation.~~

4.15:11: Home Heating Suppliers

- (1) A Home Heating Supplier may qualify as ~~an RCS~~ Program Administrator by contributing to program costs described in 225 CMR 4.1410.
- (2) A Home Heating Supplier may qualify as a Program Vendor by fulfilling the requirements of 225 CMR 4.0405.

4.12 State Plan and Other Reporting Requirements

- (1) DOER shall establish the State Plan as guidelines that clarify these regulations, including other reporting requirements. DOER may change or modify the State Plan periodically.
- (2) In the event that DOER proposes to change or modify the State Plan, it will provide interested parties the opportunity to review and comment on such proposed changes or modifications.

Formatted: Font: (Default) Times New Roman, 12 pt

REGULATORY AUTHORITY

225 CMR 4.00; M.G.L. c. 25 §19; ch. 25A, §§ 6, 7, 11A, 11G; c. 164, §134; c. 154 App. §§2-1 through 2-10, St. 1997, c. 164, and St. 2012, c. 204.

Formatted: Font: 12 pt